

Washington State Health Care Authority

Implementing the Affordable Care Act: Washington's Approach



**Co-Occurring Disorders & Treatment Conference
September 17, 2013**

Nathan Johnson, HCA Division Director, Health Care Policy

Outline



- **Brief history of the ACA**
- **Medicaid Expansion**
- **The “Exchange”**
- **Planning for the Future**
- **Questions & Online Resources**

Brief History: ACA Timeline



- **MARCH 30, 2010:** President Obama signs the Health Care and Education Reconciliation Act into law, which funds the Affordable Care Act (ACA)
- **JUNE 28, 2012:** The Supreme Court upholds most of the ACA as constitutional; rules states may refuse participation in Medicaid expansion

The Triple Aim Context



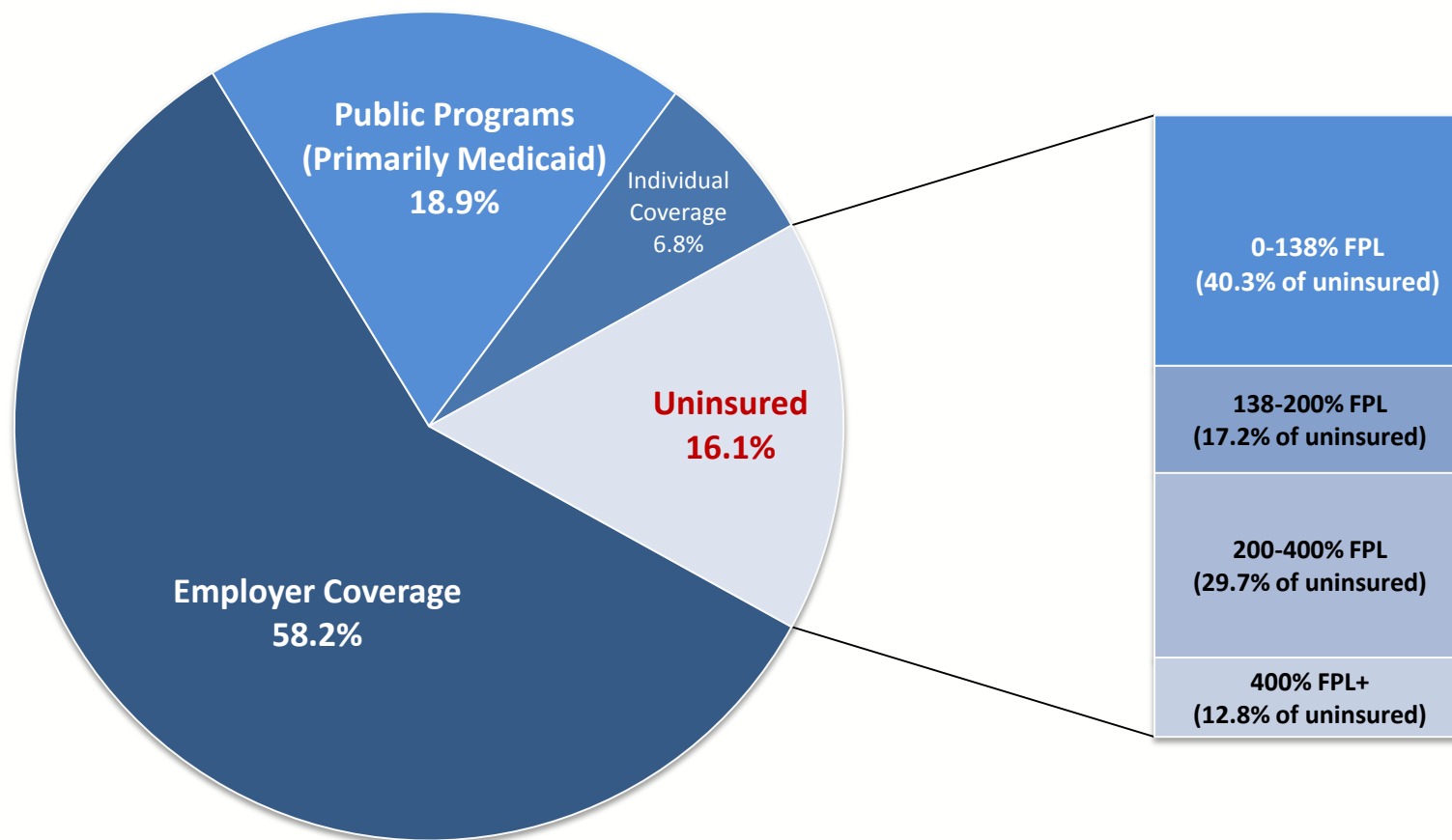
- Better health
- Better care
- Reduced cost

ACA Timeline: Washington State

- **WASHINGTON HEALTH BENEFIT EXCHANGE:**
The “Exchange” created in 2011
- **MEDICAID EXPANSION:** Included in 2013-2015 Biennial Budget signed by Governor Inslee on June 30, 2013

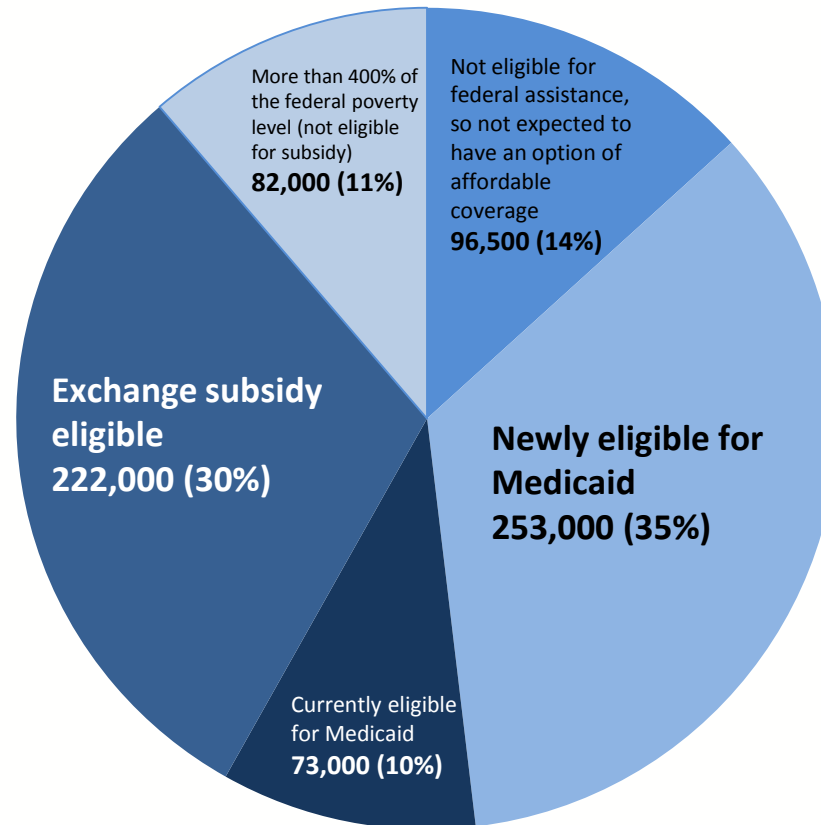
Pre-Implementation of the ACA: Primary Source of Insurance in Washington State, 2011

Estimated Coverage*
(N=~6 million, under age 65)



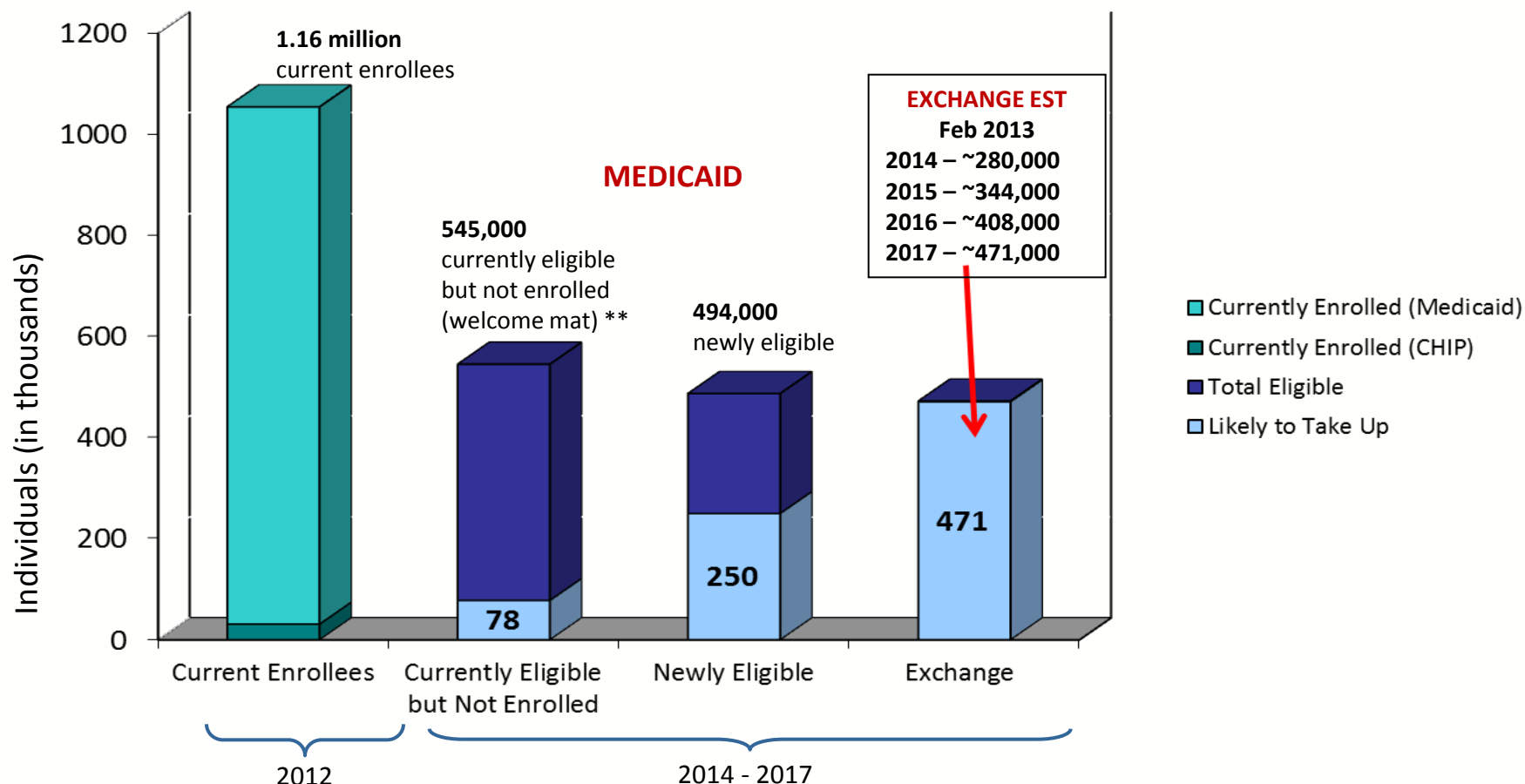
* Source: OFM Estimates from 2011 Single-Year American Community Survey PUMS - includes individuals under age 65

~85% of Washington's uninsured adults will have access to affordable coverage under full implementation of the ACA



Source: Urban Institute Analysis of Augmented WA State Database

Coverage After ACA Implementation



Note: Analysis forecast assumes full take up rate and the ACA was in effect in 2011.

**Includes individuals who have access to other coverage (e.g., employer sponsored insurance). Sources: The ACA Medicaid Expansion in Washington, Health Policy Center, Urban Institute (May 2012); The ACA Basic Health Program in Washington State, Health Policy Center, Urban Institute (May 2012); Milliman Market Analysis; and Washington Health Care Authority for Medicaid/CHIP enrollment.

2013 FPL Levels

Federal Poverty Level	Annual Income: Individual	Annual Income: Family of 3
100%	\$11,490	\$19,530
133%	\$15,282	\$25,975
138%	\$15,856	\$26,951
200%	\$22,980	\$39,060
300%	\$34,470	\$58,590
400%	\$45,960	\$78,120

Source: <http://aspe.hhs.gov/poverty/13poverty.cfm>

Medicaid Expansion



Washington State's Expansion Goals:

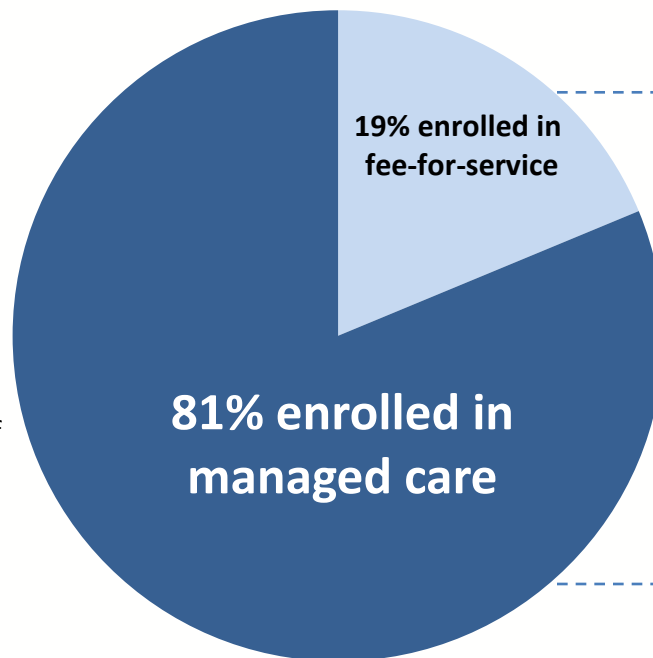
- **Streamline administrative processes** to capitalize on opportunities
- **Leverage new federal financing opportunities** to ensure the Medicaid expansion is sustainable
- **Maximize use of technology** to create consumer-friendly application/enrollment/renewal experience
- **Maximize continuity of coverage & care** as individuals move between subsidized coverage options
- **Reform the WASHINGTON WAY**—comply with, or seek waiver from, specific ACA requirements related to coverage and eligibility, as needs are identified

Ten Essential Benefits of Medicaid Expansion

1. Ambulatory services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance abuse disorder services
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care

Medicaid Today

Just over 1 million beneficiaries receive their full medical coverage from Medicaid
(excludes duals, partial duals, family planning-only and alien emergency medical.)



Current Health Plans

- Amerigroup
- Community Health Plan of Washington (CHPW)
- Coordinated Care
- Molina Healthcare
- UnitedHealth

	Fee for Service	Managed Care
Adults	64,893	220,516
Children	124,582	600,944

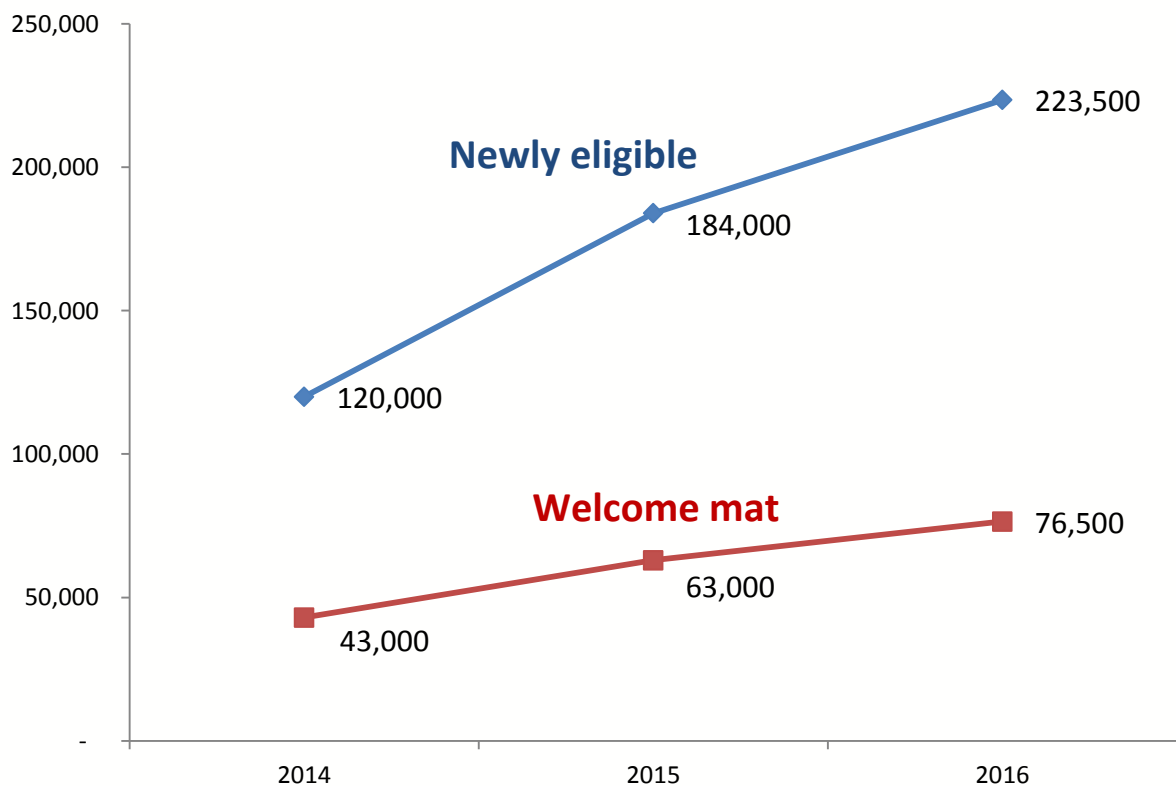
Source: Medicaid Assistance Eligible Persons Report – *Preliminary* December Enrollment; Basic Health Monthly Enrollment December 2012

Medicaid in 2014

- **Expand Medicaid to 138%*** of the Federal Poverty Level (FPL)
- **Washington's new adult groups will include:**
 - Childless adults with incomes below 138% FPL
 - Parents with incomes between 40% and 138% of FPL (parents with incomes below 40% FPL are currently covered)
- **Current Medicaid eligibility standards still apply to aged, blind, disabled, SSI and foster children**
 - *The ACA's 133% of FPL is effectively 1328% because of 5% across the board income disregard

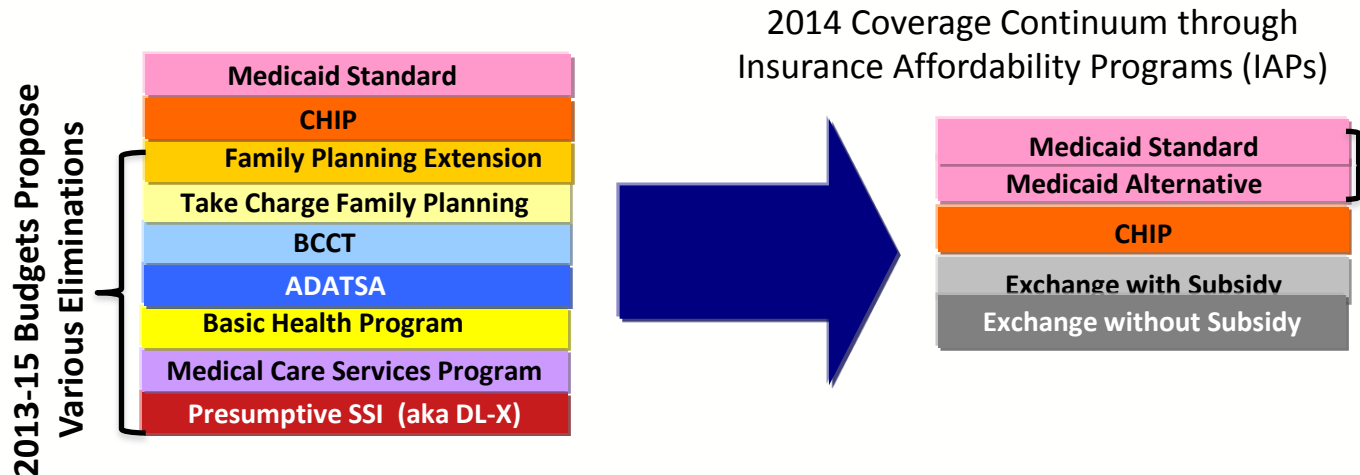
Enrollment Ramp-Up

Financial models assume Medicaid Expansion (*newly eligible adults*) and Welcome Mat (*currently eligible but not enrolled*) caseloads will ramp up over time.



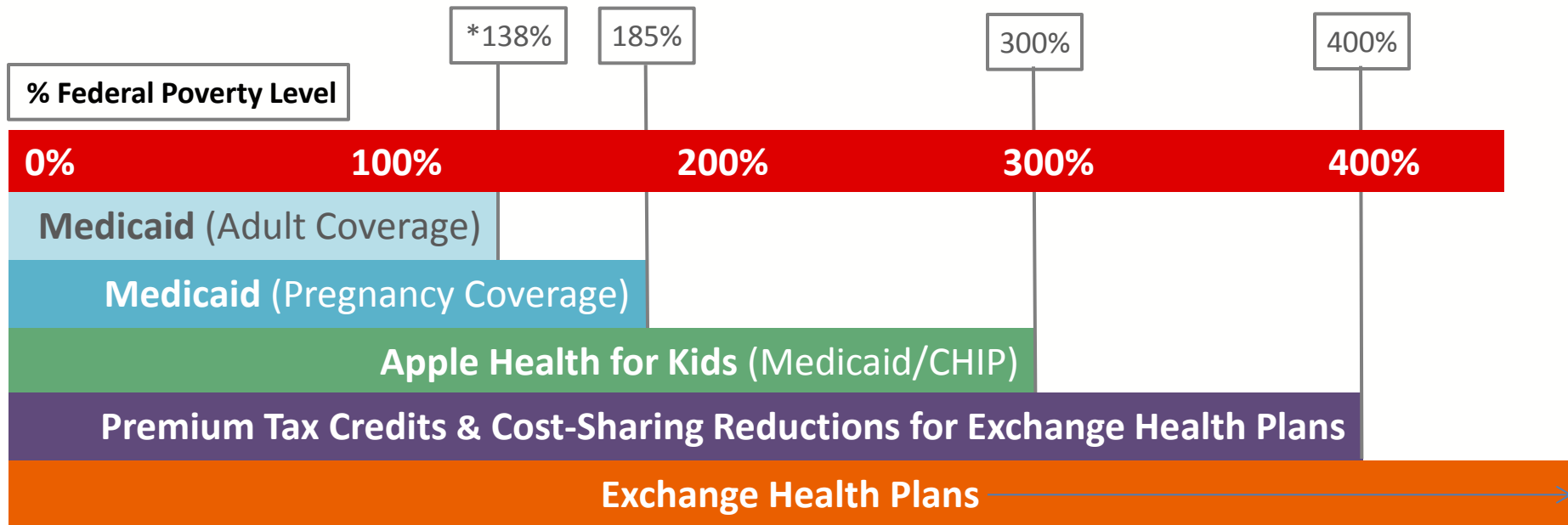
Based on: Buettgens, et al. The ACA Medicaid Expansion in Washington. The Urban Institute.

Streamlined Programs in 2014



Health Care Coverage in 2014

New Continuum of Affordable Options



* The ACA's "133% of the FPL" is effectively 138% of the FPL because of a 5% across-the-board income disregard

Enhanced Funding for Washington State

- **Enhanced federal funding for newly eligible adults**

	2014	2015	2016	2017	2018	2019	2020 +
State Share	0%	0%	0%	5%	6%	7%	10%
Federal Share	100%	100%	100%	95%	94%	93%	90%

The “Exchange”

Washington’s Health Benefit Exchange



OPEN ENROLLMENT: OCTOBER 1, 2013 TO MARCH 31, 2014



LOREM IPSUM DOLOR SIT AMET, CONSECTETUR ADIPISCING ELIT MAECENAS

Find Health Coverage that is Right for You

Welcome to Washington Healthplanfinder, a new way to help you find, compare and select a quality health insurance plan that is right for you, your family and your budget.

Find and Compare Health Plans

Apply for Coverage

Small Business Options

If you are a small business owner with 2 to 50 employees in Washington, you can provide health insurance through Healthplanfinder and you may be eligible for tax credits.

If your employer has signed up for coverage through Washington Healthplanfinder, you will receive instructions and log-in information directly from your employer.

Cover Your Employees

Click.Compare.Covered

More people than ever before are now eligible for low-cost or free health insurance. Middle-income and low-income individuals and families generally qualify. Healthplanfinder is the only way you can access these savings.

[Learn More](#) ▶

HEALTHPLANFINDER-APPROVED PLANS:

Sign In

☐ Remember Me

Sign in

[Forgot your username?](#)

[Forgot your password?](#)

[Create an account](#)

On-The-Spot Eligibility Results

- Single portal for Medicaid and the Exchange
- Simplified approach to calculating income
 - Modified Adjusted Gross Income (*MAGI*)
- Use of electronic data to verify eligibility
- Real-time eligibility determination (*30 minutes to 1 hour*)
- Interfaces to federal and state systems



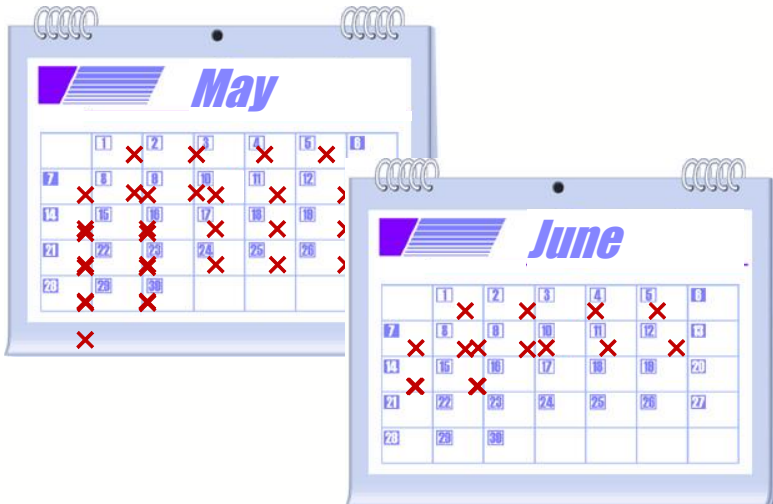
washington
healthplanfinder
powered by the Washington Health Benefit Exchange



The Application Process

**Through
September 30,
2013**

Processing Time:



Up to 45 Days

**Beginning
October 1,
2013**

Processing Time:



30 minutes to 1 hour

Exchange Key Elements

- Individuals >138% of FPL and small groups (2-50)
- Tax credits available for individuals 138%-400% of FPL
- Cost sharing reductions available for <250% FPL
- “Qualified health plan” (QHP) offerings
 - Approved by Office of Insurance Commissioner
 - Certified by the Exchange Board
- Apples-to-apples comparisons for consumers, one stop shop
- Navigators and call center assistance

Churn/Split Family Coverage

- **CHANGING LIFE CIRCUMSTANCES** & different Medicaid eligibility levels for children, parents & pregnant women result in:



- **MIXED COVERAGE FROM DIFFERENT PLANS** – Apple Health for Kids, Medicaid, Qualified Health Plans
- **DISRUPTION** of provider relationships and care
- **UNNECESSARY DUPLICATION** of tests and treatment plan revisions
- **INCREASED ADMINISTRATIVE EXPENSE** for health plans
- **DECREASED INCENTIVE** for health plans/providers to invest in longer-term care management and coordination activities
- **ADMINISTRATIVE DIFFICULTY** in managing benefits/measuring quality when enrollees switch health plans frequently



washington healthplanfinder

powered by the Washington Health Benefit Exchange

Medicaid Managed Care



Automatic
Assignment

Family Income:
\$47,000 (200% FPL)



Consumer
Selects

Churn / Split-Family Coverage

Qualified Health Plans

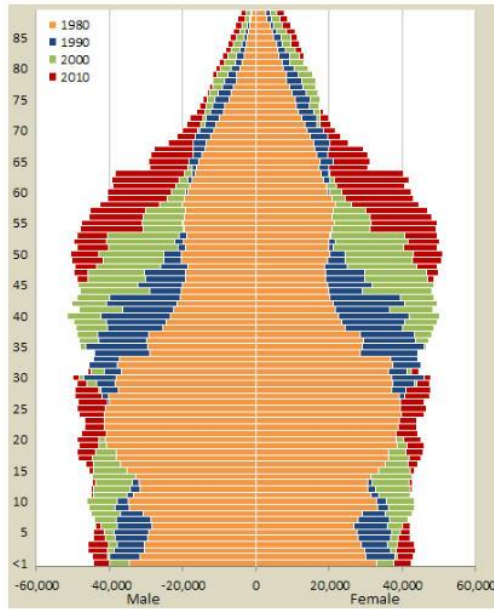


GOAL:
Consumer Choice with
Whole-Family Coverage AND
Churn Reduction

Medicaid Expansion Training Opportunities:

- **More than 1,800 individuals** have registered for training to date
- **Most training sessions FULL** (and closed)
- **Training sessions with openings** (as of Sept. 4):
 - **September 19:** Port Angeles
 - **September 23:** Moses Lake
 - **September 24:** Sunnyside
 - **September 27:** Okanogan

Our Future Challenge



Silos & Fragmented Care
and aging of
Washington's population

- Medicaid delivery system silos
 - Managed care, fee-for-service
 - County-based behavioral health
 - Dual-eligibles
 - Long-term care
- Fragmented service delivery
- Service needs & risk factors overlap in high-risk populations
- Incentives & reimbursement structures not aligned to achieve outcomes

EXISTING DESIGN NOT SUSTAINABLE

Planning for the Future



CMMI State Innovation Models (SIM):

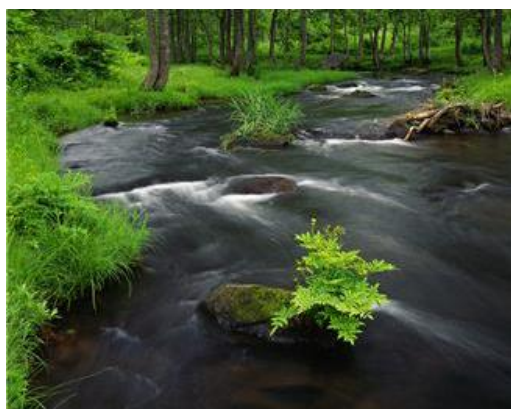
A Center for Medicare and Medicaid Innovation grant program to identify and spread health practices that result in better health and better care at reduced costs (the triple aim).

Washington State SIM:

1 of 3 states awarded a nearly \$1 million model pre-testing grant to fund collaborative development of a five-year plan for health innovation. In Washington, the effort is called:

State Health Care Innovation Planning

State Health Care Innovation Planning's Two Streams of Work



- ❑ **Promote well-being and eliminate systemic barriers to health and recovery** for individuals at risk for or experiencing mental health and substance abuse challenges

- ❑ **Multipayer, purchaser and provider transformation**

- ❑ Payment approaches supporting coordinated care
- ❑ Evidence-based care reducing unwarranted variation
- ❑ Consumer engagement
- ❑ Infrastructure
- ❑ Strengthen purchaser alignment and influence

SHCIP's Whole Person Approach



Strong focus on:

- ❑ **Integration of behavioral and physical health care and social supports** for individuals with co-morbidities
- ❑ **Enhanced early disease prevention and mitigation strategies throughout the lifespan**—toward accountable communities of health
- ❑ **Plan will make recommendations for changes to how the state administers and finances services**, and how practices and communities can be better supported to achieve better health outcomes

Next Steps in the Planning Process:

- **Focused strategies & tactics** are in analysis phase—*nothing finalized*
- **An outline of the draft plan** is available at:
<http://www.hca.wa.gov/shcip/Documents/outline.pdf>
- **Sign up for the Feedback Network** to receive updates:
simquestions@hca.wa.gov
- **Register for the webinar summarizing the draft plan:**
October 15, 11 am-12:30 pm. Register at:
<https://www2.gotomeeting.com/register/444595962>

Questions & Online Resources



- **Web-sites:** <http://www.hca.wa.gov/>
 - For information about the Medicaid Expansion:
<http://www.hca.wa.gov/hcr/me>
 - For information about the Health Benefit Exchange:
<http://wahbexchange.org/>
 - To contact the HCA concerning the Medicaid Expansion:
medicaidexpansion2014@hca.wa.gov
 - For information on State Health Care Innovation Planning:
<http://www.hca.wa.gov/shcip/Pages/default.aspx>